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May 7, 2009

BY ELECTRONIC AND FIRST CLASS MAIL

Ms. Angelena C. Le Blanc
Office of Exemption Determinations
Division of Exemptions
Employee Benefits Security Administration
U.S. Department of Labor, Room N-5700
200 Constitution Avenue, N.W.
Washington, DC 20210

Re: PNC Financial Services Group, Inc.
Application No. D-11397
Comments on Proposed Exemption

Dear Ms. Le Blanc:

On behalf of PNC Financial Services Group, Inc. ("PNC" or the "Applicant"), we respectfully submit the following comments on the proposed exemption for PNC that was published in the Federal Register on March 26, 2009 (74 Fed. Reg. 13,242).

1. Fee Disclosure and Differential Language – Section II(h)(2)

Section II(h)(2) requires that the Second Fiduciary be provided with, among other things, a statement describing "the fees." The subparagraphs specify four types of fees to be included.

This provision raises two issues.

First, subparagraph (iv) requires disclosure of "All other fees to be charged to or paid by a Client Plan and by such Fund." Disclosure of all Fund fees would be within the scope of the exemption, but it is not as clear that all Client Plan fees should be subject to disclosure. For example, if PNC does not properly disclose the fee a Client Plan pays for each benefit check issued, that should not affect compliance with the exemption. To be consistent with the intended scope of the exemption, the focus should be on those fees charged to or paid by the Client Plan

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that are related to the Plan's investment in the particular Fund. To clarify this point, the language should be revised to refer to "All other fees to be charged to or paid by a Client Plan in connection with its investment in such Fund and by such Fund."

Second, the disclosure for all four types of fees is required to describe "the nature and extent of any differential between the rates of such fees." In our experience applying this requirement under other exemptions, the differential in question is understood to refer to the difference between the investment advisory fee paid by the mutual fund and the investment advisory or management fee that the Client Plan would pay if its assets were not invested in the mutual fund. It is not clear how this requirement would apply to other types of fees where there is no corresponding fee at the Client Plan level. Absent clarification of what disclosure would be required, the "differential" disclosure should be limited to the fees paid for investment advisory or similar services in subparagraph (i), by moving the phrase "including the nature and extent of any differential between the rates of such fees" to that subparagraph.

2. Reference to Part 4 of ERISA Title I – Section II(i)

Section II(i) requires that the Second Fiduciary authorize in writing the investment of assets of the Client Plan in BlackRock Funds, and also the fees received by PNC in connection with the services BlackRock and PNC provide to the Funds. In addition, Section II(i) would require that the authorization by the Second Fiduciary be consistent with its responsibilities under Part 4 of Title I of ERISA. Whether the Second Fiduciary violates its fiduciary duties in providing the authorization is outside the control of PNC and should not affect whether PNC has coverage under the exemption. We further note that this additional language referring to the Second Fiduciary's responsibilities under ERISA was not included in prior exemptions providing analogous relief, such as PTE 2003-30 for Fifth Third Bank and PTE 2000-66 for Allfirst Bank. Therefore, the sentence referring to the Second Fiduciary's responsibilities under Part 4 of Title I of ERISA should be deleted.

3. Statement of Additional Information Disclosure – Section II(m)(2)

Section II(m)(2) requires PNC to provide a copy of a Fund's Statement of Additional Information to a Second Fiduciary upon request. It further specifies that the Statement of Additional Information should contain a description of all fees paid by the Fund to PNC, and of all fees paid by BlackRock to PNC for Mutual Fund Administration Services. We note that while the Statements of Additional Information for the Funds do describe the Mutual Fund Administration Services fees, they do not specify the rate of the fees. This should be sufficient, because the rate would have been described in the initial disclosure and cannot be changed without prior notice.

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4. Independent Audit Disclosure – Section II(m)(3)

Section II(m)(3) would require PNC to provide to the Second Fiduciaries a copy of the annual financial disclosure report for the Funds, within 60 days of the preparation of the report. According to this condition, the report would include information about the Fund portfolios, “as well as the audit findings of the independent Auditor.” The Auditor is the auditor that conducts the audit of credited fees under Section II(a)(3).

The BlackRock Funds reports do not contain any information about the fee credit audit. Instead, the requirement to provide a copy of the audit findings of the independent Auditor should be made a separate requirement, in a fifth subparagraph to Section II(m), and should apply only to those Client Plans using the fee method described in Section II(a)(3).

5. Change in Fee Method – Section IV (h)(3)(iii)

In most of the provisions of the exemption, the references to changes of fees were revised to reflect that the provisions also apply to changes in fee methods. Section IV(h)(3)(iii), which describes recusal for purposes of preserving independence, should also be revised to reflect that change, by modifying the lead-in language to read “The approval of any change in fees or fee method.”

Please feel free to call us if you have any questions or would like to discuss.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald J. Myers".

Donald J. Myers